CLASSIFICATION CONTRACTOR OF THE STATE OF THE CENTRAL INTELLIGENCE AGENCY REPORT INFORMATION REPORT CD NO. COUNTRY Incohe tow kin DATE DISTR. /O May 1954 25X1 SUBJECT "Bratm tvi" Geoperative NO. OF PAGES 2 PLACE NO. OF ENCLS. ACQUIRED DATE ACQUIRED BY SOUR SUPPLEMENT TO 25X1 REPORT NO. DATE OF INFORMATION THIS IS UNEVALUATED INFORMATION SOURCE

1. "The "Bratratvi" Cooperative is used to supply stores in force and surrounding areas. All large cities have a cooperative. (.. Pilsen, "Jednota"; in Liberce, "Veela", etc.) The management of transvit was divided among five precincts, each of which had its own warehouse.

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Int Freeinct, Progne: Vasoc my; warehouse was on Movovysocaneka Street

End Treeinct, Fregue: Fickov; werehouse was in Freight testion

And Precinct, Pregue: Marchouse was on Radicka treet

Sth Treeinct, Prague: Vokovice; werehouse located on in Dotto ?

Merehouses were stocked mostly with domestic products. Merchandise was supplied by national enterprises, or other cooperatives. At Christmas and Lester imported merchandise appeared. Poultry and pork were imported mostly from Hungary and Polend; spirits, wines, canned fish, ham and frozen beef were imported from the USCR; eggs came from Bulgaria, Hungary and Polend; fish filets were from Denmark. I do not know where coffee originated.

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- 2. "In Czechoslovakia there is a free market, and a rationed market.
 Ration coupons were required for meat, sausage, milk and eggs. There were steady shortages of some goods on the free market. When scarce goods appeared, long lines were formed for them often requiring police aid. Under these circumstances, when not everyone was satisfied, criticisms of the Communist regime were often voiced. ETB agents in the line denounced the dissatisfied.
- 3. "The relationship of prices on the free and rationed markets was various. Prices varied according to the place and the season on rost goods. But free market sugar, butter, coffee and sausage prices varied the most. Prices on the free market are based on demand; store managers turned in monthly sales records for each kind of food sold. When an increased demand for a given product was indicated, the price of that product was fixed higher. Often this price rise decreased the demand for the product, so that a warehouse spoilage problem existed. The Communists always found a way around this situation. For instance: around Christmas the demand for coffee increased greatly; so the price of coffee was raised 20 . After the price increased, the demand decreased, and the Communists ordered coffee removed from the stores for six weeks. (It was stored in the damp, and began to rot.) The Communists then announced that the currency reevaluation would be expedited (in this matter Radio Free Europe naively helped the Communist cause [?]. People were afraid of losing their savings and so bought up everything they could. The coffee was replaced on the market and was sold. The same thing occurred in the case of garlic and onions which had been removed from the markets for a long period of time. When a store in Prague sells 1000 kg of sugar on rations, it sells 100 kg of sugar on the free market; in the country, where sugar consumption is higher, 700 kg of sugar are sold on the free market for every 1000 kg on rations. In the case of butter, in the cities the same quantity of butter is sold on rations as on the free market. In the country, 20 kg of butter are sold on the free market for 100 kg sold on rations.
- 4. "The Bratrstvi Cooperative supplied canteens in factories and military establishments as well as their own stores. Canteens were given preference in sales; payment was made through bank channels."

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